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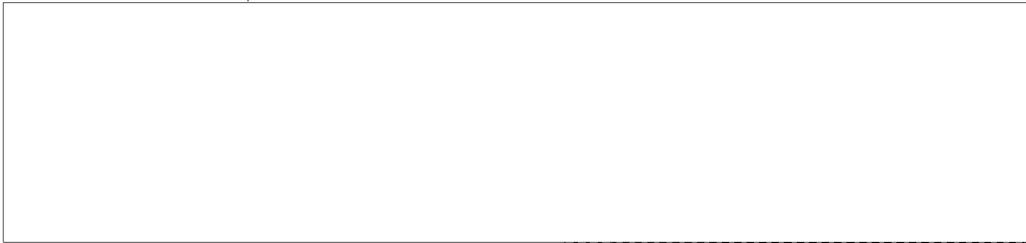
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 ZEN/AMCONSUL SHANGHAI (POUCH)
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 RUMJNG/AMCONSUL HONG KONG
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E.O. 12356: N/A
TAGS: OPRC, TW
SUBJ: AIT/CIS SUMMARY OF CHINESE LANGUAGE PRESS

MARCH 15, 1986

HEADLINES:

1. PREMIER YU SAYS MARTIAL LAW A MUST, NOT CONTRADICTION TO CONSTITUTION
2. U.S. WILL NOT PRESSURE TAIWAN TO HAVE PEACE TALKS WITH BEIJING
3. DM SOONG & GIO DIRECTOR CHANG ON FREEDOM OF SPEECH
4. MOF ISSUES NEW CONSUMERS' COMMODITY PRICE HANDBOOK
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8. SENATOR HELMS BOYCOTTS ABRAMOWITZ APPOINTMENT
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10. 30 LAWMAKERS URGE TAIPOWER TO FURTHER REDUCE GENERAL ELECTRICITY RATES
11. UNITED AIRLINES TO INCREASE DIRECT FLIGHTS TO SAN FRANCISCO

1. PREMIER YU SAYS MARTIAL LAW A MUST, NOT CONTRADICTION TO CONSTITUTION:

- ALL PAPERS, MOST FRONT PAGE HEADLINES: IN RESPONSE TO OPPOSITION LEGISLATOR FEI HSI-PING'S QUESTION AS TO WHY TAIWAN MAINTAINS MARTIAL LAW WHEN IT IS NOT IN A 'STATE OF WAR,' PREMIER YU KUD-HWA YESTERDAY TOLD THE LEGISLATIVE YUAN THAT MARTIAL LAW IS NOT CONTRADICTION

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TO THE ROC CONSTITUTION. ITS ENFORCEMENT IS BASED ON THE NEEDS OF THE NATIONAL SITUATION; ITS AIM IS TO SAFEGUARD THE CONSTITUTION.

YU SAID THAT THESE ARE EXTRAORDINARY TIMES AND THAT MARTIAL LAW SHOULD NOT BE LIFTED JUST BECAUSE TAIWAN HAS A CONSTITUTION. HE NOTED THAT THOSE WHO ARE INFORMED HAVE NEVER DOUBTED THAT (TAIWAN) FACES AN AGGRESSIVE ENEMY, AND AT THE SAME TIME, IMPLEMENTS A DEMOCRATIC CONSTITUTION.

YU ADDED THAT THE PRC IS STEPPING UP ITS UNITED FRONT WARFARE. IT HAS ALSO NEVER RULED OUT THE USE OF FORCE AGAINST TAIWAN. THEREFORE, TAIWAN HAS REALLY BEEN IN A "STATE OF WAR" SINCE THE CONSTITUTION WAS IMPLEMENTED. HE ASSERTED THAT TAIWAN SHOULD NOT VOLUNTARILY GIVE UP ITS SPIRITUAL DEFENSE JUST BECAUSE IT DOES NOT HEAR THE ROAR OF GUNS.

ON THE LAST DAY OF THE JOINT LEGISLATIVE INTERPELLATION SESSION YESTERDAY, YU ALSO RESPONDED TO THE FOLLOWING:

SUBSTANTIVE CONTACT WITH THE PRC -- YU SAID THAT ENTERTAINING ANY IDEA OF "SUBSTANTIVE CONTACT" WITH THE CHINESE COMMUNISTS IS TO FALL INTO THE ENEMY'S TRAP. YU QUOTED ALEKSANDR I. SOLZHENITSYN AS SAYING THAT "A COMMUNIST IS A COMMUNIST, THERE IS NO GOOD OR BAD COMMUNIST". EVEN THOUGH DENG XIAOPING HAS "REFORMED" MAO ZEDONG'S "SYSTEM," CAN ONE SAY THAT DENG IS NO LONGER A COMMUNIST?

YU WENT ON TO SAY THAT RESISTING THE COMMUNISTS REQUIRES STRENGTH, AND OUR STRENGTH LIES IN THE CONSOLIDATION OF NATIONAL DEFENSE, DEMOCRATIC POLITICS, SOCIAL STABILITY, A HIGHLY DEVELOPED ECONOMY, WIDESPREAD EDUCATION, AND THE UNITY OF THE NATION. YU ASSERTED THAT WHAT THE CHINESE NEED TODAY IS THE LEGITIMACY OF THE THREE PRINCIPLES OF THE PEOPLE, NOT COMMUNISM. ONLY WHEN THE CHINESE COMMUNISTS ABANDON COMMUNISM WILL COMPATRIOTS IN CHINA HAVE PEACE UNDER THE THREE PRINCIPLES.

PARTY AFFILIATION -- YU SAID THAT THE CHANNELS FOR POLITICAL PARTICIPATION ARE OPEN WIDE TO ALL CITIZENS, REGARDLESS OF WHETHER OR NOT THEY HAVE PARTY AFFILIATION. HE STRESSED THAT COMPATRIOTS AT HOME AND ABROAD CAN EXPRESS THEIR VIEWS THROUGH VARIOUS CHANNELS. THEREFORE, THERE IS NO NEED TO HOLD A "NATIONAL AFFAIRS UNCLAS SECTION 02 OF 06 TAIPEI 01684

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MEETING" AS SUGGESTED BY OPPOSITION LEGISLATOR HSIEH HSUEH-HSIEN.

CONSCRIPTION AND VOLUNTARY MILITARY SERVICE -- LEGISLATOR LIN LO-SHAN OBSERVED THAT SINCE METHODS OF MODERN WARFARE HAVE MADE IT UNNECESSARY TO KEEP A LARGE MILITARY FORCE, TAIWAN SHOULD CONSIDER A SYSTEM OF VOLUNTARY MILITARY SERVICE INSTEAD OF THE DRAFT. YU REPLIED THAT THE CONSCRIPTION SYSTEM IS PART OF THE CURRENT NATIONAL POLICY AND CANNOT BE CHANGED. HOWEVER, THE GOVERNMENT IS WILLING TO STUDY WAYS TO IMPROVE THE DRAFT SYSTEM.

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YU ASSERTED THAT THE GOVERNMENT ADOPTED THE VOLUNTARY MILITARY SERVICE SYSTEM WHEN IT WAS ON THE MAINLAND, BUT THE SYSTEM NO LONGER MEETS THE NEEDS OF THE NATIONAL SITUATION HERE. HE ADDED THAT THE CONSCRIPTION SYSTEM HAS CERTAIN ADVANTAGES: (1) IT MEANS WE HAVE BETTER EDUCATED TROOPS, MOST CONSCRIPTS ARE HIGH SCHOOL GRADUATES OR ABOVE; THIS IS RARE IN THE WORLD TODAY; (2) THE SYSTEM STRENGTHENS RELATIONS BETWEEN THE PEOPLE AND THE NATION. THE KNOWLEDGE THAT MILITARY SERVICE IS OBLIGATORY MEANS CITIZENS HAVE A CLOSER RELATIONSHIP WITH THE COUNTRY.

YU NOTED THAT THE SIZE OF THE FORCES WOULD HAVE TO BE INCREASED IF THERE WERE AN ENEMY THREAT. IF THE VOLUNTARY SYSTEM WERE ADOPTED, THE GOVERNMENT WOULD HAVE TO SHOULDER MORE OF A BURDEN. THIS WOULD INDIRECTLY INFLUENCE MAJOR CONSTRUCTION PROJECTS.

2. U.S. WILL NOT PRESSURE TAIWAN TO HOLD PEACE TALKS WITH PRC:

- SEVERAL PAPERS, CNA WASHINGTON: U.S. ADMINISTRATION OFFICIALS SAID THAT THE U.S. GOVERNMENT WILL NOT PUT PRESSURE ON TAIWAN TO CONDUCT PEACE TALKS WITH THE PRC.

THE REMARKS WERE IN RESPONSE TO A STATEMENT MADE BY PREMIER YU AT THE LY SESSION ON MARCH 11, IN WHICH HE SAID THAT "EVEN IF THERE IS PRESSURE FROM THE U.S., THE ROC WILL NOT NEGOTIATE WITH THE CHINESE COMMUNISTS."

THE AMERICAN OFFICIALS NOTED THAT ACCORDING TO THE WASHINGTON-BEIJING COMMUNIQUE SIGNED IN JULY 1982, THE U.S. HAS PROMISED NOT TO ACT AS AN INTERMEDIARY BETWEEN TAIPEI AND BEIJING AND WILL NOT BRING ANY PRESSURE ON TAIWAN TO NEGOTIATE WITH THE PRC.

ON MARCH 13 THE DEPUTY WHITE HOUSE SPOKESMAN REFUSED TO COMMENT ON THE PREMIER'S REMARKS EXCEPT TO NOTE THAT "NO COMMENT" SHOULD NOT BE INTERPRETED AS A CHANGE IN THE U.S. ASSURANCE TO TAIWAN.

3. DM SOONG & GIO DIRECTOR CHANG ON FREEDOM OF SPEECH:

- INDEPENDENCE EVENING POST, FRONT PAGE HEADLINES, MARCH 14; ALL PAPERS, FRONT PAGE REPORTS: OPPOSITION LEGISLATOR HSU JUNG-SHU SUBMITTED AN INTERPELLATION IN WHICH SHE SAID THAT NEARLY 20,000 COPIES OF HER MAGAZINE, "SENH-KIN," WERE SUDDENLY CONFISCATED ON THE NIGHT OF MARCH 12 WITHOUT A WARRANT FROM THE COURT. DEFENSE MINISTER SOONG CHANG-CHIH SAID THAT ALTHOUGH THE GOVERNMENT HAS CONFISCATED NUMEROUS ILLEGAL MAGAZINES, THE PUBLIC SHOULD NOT INTERPRET THE GOVERNMENT'S RESTRAINTS ON FREEDOM OF THE PRESS AS INCOMPETENCE NOR SHOULD THEY CONSIDER LENIENCY TOWARDS OFFENDERS AS WEAKNESS.

SOONG ARGUED THAT THE POLICE DID OBTAIN A WARRANT TO SEARCH THE PREMISES TOGETHER WITH THE CULTURAL SCREENING TASK FORCE.

IN A STRONG STATEMENT YESTERDAY SOONG TOLD THE LY THAT THE GOVERNMENT WILL NEVER TOLERATE THE INFILTRATION OF COMMUNIST THOUGHT AMONG COMPATRIOTS IN TAIWAN, NOR WILL IT PERMIT TAIWAN INDEPENDENCE ELEMENTS (TAITU) TO SOW UNCLAS SECTION 03 OF O6 TAIPEI 01684

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DISCORD AMONG THE PEOPLE HERE. HE HOPED THAT CERTAIN "SUPPORTERS OF DEMOCRACY" (MIN CHU JEN SHIH) CAN LEARN TO MAKE A DISTINCTION BETWEEN CHINESE COMMUNISM AND TAITU IN THEIR SPEECH, THOUGHT, IDEOLOGY AND BEHAVIOR TO AVOID BEING USED.

SOONG ADDED THAT ALTHOUGH THE AUTHORITIES OCCASIONALLY CONFISCATE AND BAN SOME BIASED AND RADICAL PUBLICATIONS, THEY ARE STILL TOLERANT AND HOPE THAT THE PEOPLE WILL BE SELF-RESTRAINED.

- INDEPENDENCE EVENING POST, MARCH 14: LEGISLATOR LIN LE-SHAN TOLD THE EXECUTIVE YUAN THIS MORNING THAT HE WAS NOT HAPPY WITH SOONG'S USE OF THE TERM "SUPPORTERS OF DEMOCRACY" TO MEAN THOSE WHO OPPOSE FOR THE SAKE OF OPPOSING. LIN SUGGESTED THAT PREMIER YU DISMISS THE DEFENSE MINISTER, OTHERWISE THERE CAN BE NO NATIONAL UNITY.

LIN SAID THAT THE POST SHOULD BE OCCUPIED BY A CIVILIAN; THE DEFENSE MINISTER'S STATEMENTS SOUNDED LIKE THOSE OF AN ANCIENT WARRIOR. TURNING TO THE PREMIER, HE ADDED, "AREN'T YOU ALSO A "SUPPORTER OF DEMOCRACY?"

- CHINA TIMES: LEGISLATORS FEI HSI-PING AND LIN LO-SHAN SAID THAT SOONG'S USE OF THE TERM "SUPPORTER OF DEMOCRACY" IS INAPPROPRIATE BECAUSE THE WORD (TOGETHER WITH WHAT FOLLOWED) SEEMS TO IMPLY THAT (THE OPPOSITION) IS IN AGREEMENT WITH THE PRC REGARDING PEACE OVERTURES.

PREMIER YU SAID LATER THAT THE DEFENSE MINISTER HAD MADE A SLIP OF THE TONGUE; HE WAS REALLY REFERRING TO THE EXTREMELY SMALL NUMBER OF PEOPLE WHO USE THE SLOGAN OF "DEMOCRACY" WHEN WHAT THEY WANT IS HARMONY WITH THE PRC, PEACE TALKS, AND DISCORD AMONG THE PEOPLE HERE. YU STRESSED THAT DEMOCRACY IS THE COMMON ASPIRATION OF THE KMT AND THE OPPOSITION, AND THAT RESPECT FOR DEMOCRATIC FREEDOM, THE IMPLEMENTATION OF THE CONSTITUTION AND THE RULE OF LAW ARE PART OF THE FOUNDING SPIRIT OF THE NATION.

- SEVERAL PAPERS: GIO DIRECTOR GENERAL CHANG KING-YUH, ECHOING THE DEFENSE MINISTER'S RESPONSE, TOLD THE LY THAT THE ROC IS A NATION WITH AMPLE FREEDOM OF SPEECH AND THAT THERE WILL BE NO "CONTAINMENT" OF SPEECH HERE. AS AN EXAMPLE, CHANG CITED THE MASS MEDIA'S EXTENSIVE COVERAGE AND ANALYSIS OF INTERPELLATIONS RAISED BY OPPOSITION LAWMAKERS AND THE CABINET'S RESPONSES. HE ADDED THAT DIFFERENCES BETWEEN THE REPORTS AND THE LEGISLATIVE INTERPELLATION ARE A REFLECTION OF FREEDOM OF SPEECH IN TAIWAN; IT SHOULD NOT BE INTERPRETED AS "CONTAINMENT."

- SOME PAPERS: ON THE LAST DAY OF THE JOINT LY INTERPELLATION SESSION YESTERDAY, THREE PRO-KMT LEGISLATORS, YANG PAO-LIN, CHOU SHU-FU AND CHANG HUNG-SHUEH, OBJECTED TO THE OPPOSITION'S COMMENTS ON THE POLITICAL CRISES, INCLUDING STRONG MAN RULE, THE LIFTING OF MARTIAL LAW, AND THE RUMOR THAT "CHIANG HSIAO-WU'S APPOINTMENT TO SINGAPORE AS DEPUTY TRADE REPRESENTATIVE IS A PEACE OVERTURE TO THE PRC". THEY TERMED THE COMMENTS FAR-FETCHED AND INAPPROPRIATE.

4. MOF ISSUES NEW CONSUMER COMMODITY PRICE HANDBOOK:

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- ALL PAPERS, SOME FRONT PAGE HEADLINES: THE MINISTRY OF FINANCE ISSUED A HANDBOOK YESTERDAY ON PRICE CHANGES AFFECTING 151 DAILY NECESSITIES STEMMING FROM THE VALUE-ADDED TAX WHICH GOES INTO EFFECT ON APRIL 1.

OF THE 151 DAILY NECESSITIES, 112 ITEMS ARE PREDICTED TO GO UP ABOUT THREE PERCENT IN PRICE, SEVEN ITEMS WILL DECREASE IN PRICE AND 32 WILL REMAIN UNCHANGED. (SEVERAL PAPERS CARRIED THE FULL LIST)

THE ITEMS WHICH WILL INCREASE MOST ARE: HOUSEHOLD UNCLAS SECTION 04 OF 06 TAIPEI 01684

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APPLIANCES, VEHICLES, IMPORTED MEDICINE, CLOTHES, AGRICULTURAL PRODUCTS, THEATER TICKETS AND OTHER ENTERTAINMENT EXPENSES.

ACCORDING TO A CONSUMER FOUNDATION SURVEY, THE AVERAGE FAMILY'S EXPENDITURE WILL INCREASE BY ABOUT 1.5 PERCENT.

5. NEW DRAFT OF TRADE LAW IS COMPLETED:

- SEVERAL PAPERS: THE BOARD OF FOREIGN TRADE COMPLETED THE FINAL REVIEW OF THE TRADE LAW DRAFT AT A MEETING YESTERDAY. THE DRAFT WILL BE SENT TO THE ECONOMIC MINISTRY FOR APPROVAL AND THEN TO THE EY AND LY FOR LEGISLATION.

THE DRAFT, CONTAINING FIVE CHAPTERS AND 42 ARTICLES, IS CONCERNED WITH ORDERLY EXTERNAL TRADE AND A SOUND TRADE ADMINISTRATIVE SYSTEM. THE ULTIMATE GOAL IS TRADE LIBERALIZATION.

BOFT DIRECTOR GENERAL VINCENT C. SIEW SAID THERE ARE NINE MAJOR POINTS IN THE TRADE LAW: THE PRIMARY AND SECONDARY TRADE SYSTEMS MUST BE INTEGRATED; THERE MUST BE TRADE POLICY PLANNING; ADMINISTRATIVE MEASURES CONCERNING EXPORT QUOTAS; CONSISTENCY BETWEEN TRADE AND NATIONAL POLICIES; PROHIBITION OF UNFAIR TRADE PRACTICES; A BAN ON INAPPROPRIATE EXPORTS; PUBLIC PARTICIPATION IN THE GOVERNMENT'S ECONOMIC/TRADE AFFAIRS; GUIDELINES FOR TRADING STRATEGY; AND THE STRENGTHENING OF TRADE SUPPORT MEASURES.

6. DOES TAIWAN HAVE AN ATOMIC BOMB?

- SOME PAPERS, AFP HONG KONG: A CHINA-WATCHING MAGAZINE REPORTED THAT WITH U.S. APPROVAL, THE ROC HAS DEVELOPED AN ATOMIC BOMB AS A LAST DEFENSIVE RESORT AGAINST THE PRC.

ACCORDING TO THE MARCH EDITION OF "PAI SHING" MAGAZINE OBTAINED BY AGENCY FRANCE PRESS, ISRAEL AND SOUTH AFRICA SUPPLIED URANIUM AND TECHNICAL ASSISTANCE FOR THE BOMB'S CONSTRUCTION IN 1985. THE ROC IS BELIEVED TO HAVE THE CAPABILITY TO COMPLETE CONSTRUCTION OF THE BOMB.

IN TAIPEI, THE MINISTRY OF NATIONAL DEFENSE SPOKESMAN MAJ. GEN. CHANG HUI-YUAN DISMISSED THE REPORT AS GROUNDLESS. CHANG TOLD AFP THAT "ALTHOUGH THE ROC HAS THE CAPABILITY TO DEVELOP A NUCLEAR BOMB, IT WOULD NEVER PRODUCE NUCLEAR WEAPONS. THIS IS OUR POLICY."

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THE "PAI SHING" REPORT QUOTED SENIOR TAIWAN OFFICIALS AS SAYING THAT THE MATTER "HAS THE UNDERSTANDING AND SUPPORT OF THE U.S. AUTHORITIES, WHO PLEDGED TO HELP KEEP THE ISSUE A SECRET." THE REPORT WENT ON TO SAY THAT THE ROC'S ATOMIC BOMB IS BELIEVED TO BE A "LAST STRATEGIC DEFENSIVE RESORT AND IS NOT MEANT FOR AN OFFENSIVE BECAUSE MAINLAND CHINA POSSESSES FAR MORE ADVANCED NUCLEAR WEAPONS."

"PAI SHING" ALSO QUOTED A NUCLEAR SPECIALIST AS SAYING THAT THE ROC DOES NOT NEED TO CONDUCT NUCLEAR TESTS BECAUSE SUCH A NUCLEAR BOMB CAN BE TESTED THROUGH COMPUTERS.

7. WALKER RUMORED TO BE THAYER'S REPLACEMENT:

- UNITED DAILY NEWS, HSIANG KUO-NING: DIPLOMATIC CIRCLES IN WASHINGTON SAY THAT U.S. AMBASSADOR TO SOUTH KOREA, RICHARD L. WALKER, WILL REPLACE HARRY E.T. THAYER, ASSUMING THE POSITION OF AIT/T DIRECTOR. DEPUTY ASSISTANT SECRETARY OF STATE FOR ASIA AND PACIFIC AFFAIRS JAMES LILLEY WILL REPLACE WALKER AS THE U.S. AMBASSADOR TO THE ROK.

WALKER HAS BEEN IN SOUTH KOREA THREE YEARS AND IS NOW BEGINNING HIS FOURTH YEAR. THAYER'S TWO-YEAR TENURE IN TAIPEI IS DUE TO END IN MID-1986.
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ACCORDING TO A STATE DEPARTMENT OFFICIAL, WALKER IS QUITE "INTERESTED" IN AIT/T. LILLEY IS HOPING TO BECOME AMBASSADOR TO SOUTH KOREA. THAYER THEN HOPES TO FIND AN APPROPRIATE JOB IN WASHINGTON. THEREFORE, SUCH A TRANSFER WOULD BE A "REASONABLE ARRANGEMENT."

THE STATE DEPARTMENT OFFICIAL, HOWEVER, ADDED THAT THE WHITE HOUSE HAS NOT YET MADE A FINAL DECISION.

REGARDING WALKER'S ASSIGNMENT AS AIT/T DIRECTOR, THE STATE DEPARTMENT OFFICIAL SAID THAT TAIPEI WOULD NOT OBJECT BECAUSE WALKER UNDERSTANDS CHINESE AFFAIRS AND THE POSITION WOULD BE VERY APPROPRIATE FOR HIM. (FULL TEXT)

8. SENATOR HELMS BOYCOTTS ABRAMOWITZ APPOINTMENT:

- CHINA TIMES, WASHINGTON CORRESPONDENT NORMAN FU: RANKING REPUBLICAN SENATOR JESSE HELMS OF THE SENATE FOREIGN RELATIONS COMMITTEE SAID THAT HE WILL BOYCOTT THE APPOINTMENT OF MORTON I. ABRAMOWITZ, DIRECTOR OF INTELLIGENCE AND RESEARCH AT THE STATE DEPARTMENT.

ABRAMOWITZ HAS HELD THE POSITION FOR OVER A YEAR. HE APPEARED AS SCHEDULED AT THE SENATE FOREIGN RELATIONS COMMITTEE FOR A CONFIRMATION HEARING ON MARCH 5 WHICH WOULD UPGRADE HIS POSITION TO THE LEVEL OF ASSISTANT SECRETARY OF STATE (FOR INTELLIGENCE AND RESEARCH). DURING THE HEARING, ABRAMOWITZ REFUSED TO ANSWER HELMS' QUESTION AS TO WHETHER HE WILL ENCOURAGE TAIWAN TO HOLD PEACE TALKS WITH THE PRC. ABRAMOWITZ REFUSED ON THE GROUNDS THAT THE POSITION DOES NOT INCLUDE THE ROLE OF

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POLICY-MAKING. HELMS, HOWEVER, INSISTED THAT THE DUTY OF THE ASSISTANT SECRETARY OF STATE IS EQUIVALENT TO POLICY OFFICER, AND HE MUST ANSWER THE QUESTION. THE IMPASSE ENDED IN DISCORD BETWEEN THE TWO.

9. STATE DEPARTMENT HOLDS "COMMUNISTS SUPPORT CENTRAL AMERICA" EXHIBIT:

- CHINA TIMES, NORMAN FU: THE STATE DEPARTMENT IS DISPLAYING VARIOUS PRC WEAPONS ONCE USED BY COMMUNIST GUERRILLAS FOR SUBVERSION IN CENTRAL AMERICAN COUNTRIES.

PRESIDENT REAGAN OFFICIATED AT THE OPENING CEREMONY OF THE EXHIBIT, MARCH 13, IN THE DIPLOMATIC LOBBY OF THE STATE DEPARTMENT. THE DISPLAY INCLUDED WEAPONS AND WAR TROPHIES SUPPLIED TO THE COMMUNIST GUERRILLAS BY THE COMMUNIST BLOC, SUCH AS THE SOVIETS, CUBA, VIETNAM, PRC, AND CZECHOSLOVAKIA.

10. 30 LAWMAKERS URGE TAIPOWER TO FURTHER REDUCE GENERAL ELECTRICITY RATES:

- SEVERAL PAPERS: AT A JOINT SESSION YESTERDAY, MORE THAN 30 LEGISLATORS URGED TAIPOWER TO FURTHER REDUCE ELECTRICITY RATES FOR BUSINESSES AND HOUSEHOLDS SO THAT THEY WOULD REFLECT THE TWO PRICE DROPS WITHIN THE PAST MONTH. THEY ARGUED THAT AN NTDO.40 CUT FOR BUSINESS USE WILL NOT HELP THE ECONOMIC RECOVERY.

LEGISLATOR LIN LO-SHAN SUGGESTED THAT THE EXECUTIVE YUAN CUT THE RATES A THIRD TIME, QUOTING A TAIWANESE EXPRESSION WHICH SAYS, "IF THERE IS ONE, THERE SHOULD BE TWO, AND NOT HAVING THE THIRD WOULD BE IMPOLITE." HE SAID THE SECOND CUT ANNOUNCED RECENTLY BY THE ECONOMIC MINISTRY DOES NOT REFLECT THE REAL PRODUCTION COST. THE MINISTRY SHOULD CONSIDER A THIRD CUT.

LIN SAID THAT WORLD OIL PRICES FELL BY 50.9 PERCENT BETWEEN NOV. 1980 AND MARCH 1986, BUT TAIWAN'S PETROLEUM PRICES DURING THE SAME PERIOD WERE CUT ONLY AN AVERAGE OF 14.2 PERCENT.

11. UNITED AIRLINES TO INCREASE DIRECT FLIGHTS TO SAN FRANCISCO:

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- CENTRAL DAILY NEWS, CNA TAIPEI: IF NOTHING UNEXPECTED HAPPENS, UNITED AIRLINES WILL HAVE FOUR ADDITIONAL DIRECT FLIGHTS WEEKLY FROM TAIPEI TO SAN FRANCISCO, STARTING APRIL 2.

AT PRESENT, UA HAS TWO FLIGHTS WEEKLY FROM TAIPEI TO SF VIA TOKYO AND FIVE FLIGHTS FROM TAIPEI TO NEW YORK VIA TOKYO. UA USES SIX LOCKHEED L-1010 PASSENGER JETS FOR THE FLIGHTS. THAYER

END OF MESSAGE

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